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**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

RIO BRANDS, LLC,

Plaintiff,

v.

CRI 2000, L.P.
d/b/a LIGHTSPEED OUTDOORS,

Defendant.

Case No.:

COMPLAINT

JURY TRIAL DEMANDED

Plaintiff Rio Brands, LLC (“Rio Brands” or “Plaintiff”) brings this action against Defendant CRI 2000, L.P. d/b/a Lightspeed Outdoors (“CRI” or “Defendant”) for patent infringement.

PARTIES

1. Rio Brands is a Delaware limited liability company with a principal place of business at 100 Front Street, Suite 1350, West Conshohocken, Pennsylvania 19428.

2. Upon information and belief, CRI is a California limited partnership with an office located at 2245 San Diego Avenue, Suite 125, San Diego, California 92110.

JURISDICTION AND VENUE

3. This Court has jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338.

4. CRI is subject to personal jurisdiction in this Court as evidenced by its systematic and continuous contacts with the Commonwealth of Pennsylvania and this District. CRI regularly transacts business in this District and has sold the infringing products that are the subject of this action into this District. Venue is proper in this jurisdiction pursuant to, *inter alia*, 28 U.S.C. § 1391.

BACKGROUND

5. This is an action for injunctive relief and damages arising from CRI's infringement of Rio Brands' patent under 35 U.S.C. § 271.

6. Rio Brands was founded in 1947. The company manufactures and sells beach chairs, backpack chairs, patio furniture, and camping equipment. Rio Brands is the owner of U.S. Patent No. RE 39,022 ("the '022 Patent"), which is a reissue of U.S. Patent No. 6,056,172 originally issued on May 2, 2000 and reissued March 21, 2006. The '022 Patent is directed to a backpack chair. Rio Brands has been selling backpack chairs under the '022 Patent to major retailers, including Costco and others, for approximately 13 years, and also manufactures and sells such chairs for private labelling to well-known brands such as Tommy Bahama. The Rio Brands patented backpack chairs are marked with the '022 Patent number. A true and correct copy of the '022 Patent is attached as **Exhibit A**.

7. In August 2016, Rio Brands discovered that CRI, owner of the "Lightspeed Outdoors" brand of outdoor supplies, listed a backpack chair on its website under the name "Ultimate Beach Chair with Cooler," product code 511012 (*see* <https://www.lightspeedoutdoors.com/ultimate-beach-chair-with-cooler.html>, a screen shot of which is attached as **Exhibit B**).

8. On August 12, 2016, Rio Brands' President, Ira Cohen, sent an email to CRI stating that CRI's backpack chair infringes the '022 Patent and requesting a meeting to discuss the matter. A true and correct copy of the August 12, 2016 email is attached as **Exhibit C**.

9. On August 18, 2016, counsel for CRI, Norman E. Lehrer, responded to Rio Brands' patent counsel, Eric A. LaMorte, stating that he hoped to provide Rio Brands with a substantive response by the end of September. A true and correct copy of the August 18, 2016 letter is attached as **Exhibit D**.

10. On September 14, 2016, CRI's counsel responded to Mr. LaMorte denying that the Rio Brands' backpack chair infringed upon the '022 patent. A true and correct copy of the September 14 letter is attached as **Exhibit E**.

11. To date, CRI has never acknowledged infringement of the '022 Patent, nor has CRI attempted to resolve the matter outside of court.

CAUSE OF ACTION
(Infringement of Reissue Patent No. RE39,022)

12. Plaintiff repeats and re-alleges each and every allegation set forth in the foregoing paragraphs as if fully set forth herein.

13. The '022 Patent was duly and legally issued on March 21, 2006 to Rio Brands, and is currently in full force and effect and has been since the date of issuance.

14. CRI sells, offers to sell, imports, has sold, has offered to sell, and has imported backpack chairs which infringe, or the use of which infringe, the '022 Patent.

15. CRI sells, offers to sell, imports, has sold, has offered to sell, and has imported these backpack chairs with actual knowledge of Rio Brands' '022 Patent, which constitutes infringement of the '022 Patent, at least as of August 12, 2016. The infringing products include the Lightspeed Outdoors "Ultimate Beach Chair with Cooler," product code 511012.

16. Two representative claims of the '022 Patent and a chart showing how the Lightspeed Outdoors "Ultimate Beach Chair with Cooler" product infringes the '022 Patent is provided below, with reference to the photographs that follow:

Claim 1 of '022 Patent	“Ultimate Beach Chair with Cooler”
A backpack unit comprising:	<i>See generally, e.g.,</i> photo nos. 1-4.
a frame of a material selected from one of a metal alloy and a plastic in the form of a folding chair including	<i>See, e.g.,</i> details A and A' in photo nos. 1 and 2.
a U-shaped seat frame pivotally coupled at its ends to ends of a U-shaped back frame	<i>See, e.g.,</i> details A and A' in photo nos. 1 and 2.
through a cross-member,	<i>See, e.g.,</i> detail B in photo no. 2.
a U-shaped front leg frame pivotally coupled to the seat frame and pivotally coupled at its ends to ends of a U-shaped back leg frame,	<i>See, e.g.,</i> details C and C' in photo nos. 1 and 2.
the frame capable of being folded such that the back frame, the seat frame, the front leg frame, and the back leg frame fold substantially parallel and adjacent to one another;	<i>See generally, e.g.,</i> photo nos. 2 and 4.
a pair of arm rests pivotally coupled to the back frame	<i>See, e.g.,</i> detail D in photo nos. 1 and 3.
and positionally coupled along a first diagonal between the ends of the front leg frame and the back leg frame,	<i>See, e.g.,</i> detail D' in photo nos. 1 and 2.
the pair of arm rests having a plurality of adjustment positions,	<i>See, e.g.,</i> detail E in photo no. 2.
a pivotal coupling of the ends of the front leg frame and the back leg frame disposed through one of the plurality of adjustment positions;	<i>See, e.g.,</i> detail F in photo no. 2.
at least one support panel to support a user coupled about the back frame and the seat frame and associated with the cross-member;	<i>See, e.g.,</i> detail G and G' in photo no. 1.
a back rest panel adapted to rest against the back of a wearer of the unit coupled to a back side of the at least one support panel adjacent the seat frame;	<i>See, e.g.,</i> detail H in photo no. 4.
shoulder straps coupled to the back rest panel;	<i>See, e.g.,</i> detail I in photo nos. 3 and 4.
a container having a forward wall panel coupled to the back side of the at least one support panel adjacent the back frame,	<i>See, e.g.,</i> detail J in photo no. 3.
wherein the position of the arm rests is adjusted by the displacement of the arm rests to a second diagonal, the rotation of the back frame, and the return of the arm rests to the first diagonal,	<i>See, e.g.,</i> details D and D' in photo no. 1.
wherein the at least one support panel is at a tension such that with the weight of a user on the support panel about the seat frame, the back frame rotates when the pair of arm rests are displaced to the second diagonal.	<i>See generally, e.g.,</i> photo no. 1.

Claim 10 of '022 Patent	“Ultimate Beach Chair with Cooler”
A backpack unit comprising:	<i>See generally, e.g.,</i> photo nos. 1-4.
a frame of material selected from one of a metal alloy and a plastic in the form of a folding chair including	<i>See, e.g.,</i> details A and A' in photo nos. 1 and 2.
a U-shaped seat frame pivotally coupled at its ends to ends of a U-shaped back frame	<i>See, e.g.,</i> details A and A' in photo nos. 1 and 2.
through a cross-member,	<i>See, e.g.,</i> detail B in photo no. 2.
a U-shaped front leg frame pivotally coupled to the seat frame and pivotally coupled at its ends to ends of a U-shaped back leg frame,	<i>See, e.g.,</i> details C and C' in photo nos. 1 and 2.
the frame capable of being folded such that the back frame, the seat frame, the front leg frame, and the back leg frame fold substantially parallel and adjacent to one another;	<i>See generally, e.g.,</i> photo nos. 2 and 4.
a pair of arm rests pivotally coupled to the back frame and positionally coupled along a first diagonal between the ends of the front leg frame and the back leg frame,	<i>See, e.g.,</i> detail D in photo nos. 1 and 3. <i>See, e.g.,</i> detail D' in photo nos. 1 and 2.
the pair of arm rests having a plurality of adjustment positions,	<i>See, e.g.,</i> detail E in photo no. 2.
a pivotal coupling of the ends of the front leg frame and back leg frame disposed through one of the plurality of adjustment positions;	<i>See, e.g.,</i> detail F in photo no. 2.
a first panel coupled to the back frame;	<i>See, e.g.,</i> detail G in photo no. 1.
a second panel coupled to the seat frame;	<i>See, e.g.,</i> detail G' in photo no. 1.
a pair of shoulder straps coupled to the second panel; and	<i>See, e.g.,</i> detail I in photo nos. 3 and 4.
a container having a forward wall panel coupled to a back side of the first panel adjacent the back frame,	<i>See, e.g.,</i> detail J in photo no. 3.
wherein the position of the arm rests is adjusted by the displacement of the arm rests to a second diagonal, the rotation of the back frame, and the return of the arm rests to the first diagonal,	<i>See, e.g.,</i> details D and D' in photo no. 1.
wherein the second panel is at tension such that with the weight of a user on the second panel about the seat frame, the back frame rotates when the pair of arm rests are displaced to the second diagonal.	<i>See generally, e.g.,</i> photo no. 1.

Photo 1



Photo 2



Photo 3



Photo 4



17. Rio Brands has been damaged as a result of CRI's acts of patent infringement in an amount to be determined at trial.

18. Rio Brands will suffer imminent and irreparable injury unless this Court enjoins CRI from further acts of infringement.

19. CRI's acts of infringement have been carried out deliberately and willfully and without the consent of Rio Brands.

20. Rio Brands has complied with the requirements of 35 U.S.C. § 287 by marking its products with the '022 Patent.

21. This is an exceptional case entitling Rio Brands to an award of attorneys' fees under 35 U.S.C. § 285.

22. In light of the above facts and allegations, CRI is infringing and has infringed the '022 Patent in violation of 35 U.S.C. § 271, by developing, using, offering to sell, and/or selling in the United States or importing into the United States the infringing backpack chair, and by engaging in or practicing in the United States methods or processes covered by the '022 Patent.

23. CRI is infringing and has infringed the '022 Patent by offering to sell or selling within the United States or importing into the United States a component of a product or system that falls within the scope of the '022 Patent, or a material or apparatus for use in practicing a method or process that falls within the scope of the '022 Patent, constituting a material part of the '022 Patent, knowing the same to be especially made or especially adapted for use in an infringement of the '022 Patent, and not a staple article or commodity of commerce suitable for substantial non-infringing use.

24. CRI infringes the '022 Patent by actively inducing direct infringement of the '022 Patent by third parties.

25. CRI actively encourages its customers to purchase third party backpack chairs for uses which contribute to the direct infringement one or more claims of the '022 Patent.

26. CRI is selling, offering for sale, importing and has sold, imported, and delivered its infringing backpack chairs to customers inside the United States and this District which are used by those customers to directly infringe at least one claim of '022 Patent.

RELIEF SOUGHT:

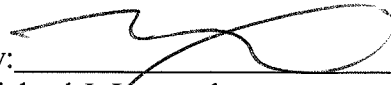
WHEREFORE, Rio Brands respectfully requests that this Court:

- a) Enter judgment in favor of Plaintiff and against Defendant;
- b) Declare that Defendants have been and are infringing the '022 Patent;
- c) Preliminarily and permanently enjoin Defendant and its officers, agents, and employees and all others in concert or participation with Defendant from further acts of infringement of the '022 Patent under 35 U.S.C. § 283;
- e) Order Defendant to file with this Court and serve on Plaintiff within thirty (30) days after service of an injunction, a report in writing, under oath, setting forth in detail the manner and form in which Defendant has complied with the injunction;
- f) Award damages adequate to compensate Plaintiff for Defendant's infringement of the '022 Patent, together with interest and costs under 35 U.S.C. § 284;
- g) Award treble damages by reasons of Defendant's acts of deliberate and willful infringement of the '022 Patents under 35 U.S.C. § 284;
- h) Declare this litigation to be an "exceptional case" and order Defendant to pay Plaintiff's reasonable attorneys' fees in connection with this action as provided in 35 U.S.C. § 285; and
- i) Award Plaintiff such other and further relief as this Court deems just and proper.

Dated: October 24, 2016

Respectfully submitted,

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